NCA
VOC FOR IOP/FN
BACKGROUNDER 1-0724 MAY 6, 1976
ROD TURNBULL/KANSAS CITY

MOVING THE GRAIN CROP

ANNCR:

ALMOST AS IMPORTANT AS GROWING AND HARVESTING A CROP IS THE ABILITY TO MOVE IT WHERE IT IS NEEDED. THIS IS PARTICULARLY TRUE IN THE UNITED STATES WHICH EXPORTS SUCH A LARGE PROPORTION OF ITS PRINCIPAL GRAIN CROPS. FROM KANSAS CITY, AGRICULTURE SPECIALIST ROD TURNBULL SENDS THIS BACKGROUND REPORT.

VOICE:

THE UNITED STATES EXPORTS ABOUT TWICE AS MUCH WHEAT AS IS CONSUMED IN THIS COUNTRY AS HUMAN FOOD. IT EXPORTS ABOUT HALF THE SOYBEAN CROP AND BETWEEN ONE FOURTH AND ONE FIFTH OF THE FEED GRAIN CROP.

THE FIRST MAJOR CROP TO BE MOVED THIS YEAR WILL BE THE WINTER WHEAT, WHICH WILL BE HARVESTED OVER THE NEXT THREE MONTHS. THE HARVEST SHOULD BE WELL UNDERWAY BY LATE MAY IN THE SOUTH, AND THEN WILL MOVE TO THE NORTH THROUGH JUNE AND JULY. THE BIGGEST PART OF THE WINTER WHEAT HARVEST WILL TAKE PLACE IN THE HARD WINTER WHEAT AREA, TO THE WEST, SOUTHWEST AND NORTHWEST OF KANSAS CITY. EAST OF KANSAS CITY, SOFT RED WINTER WHEAT IS GROWN BUT MOST OF THE EXPORTS ARE OF THE HARD WINTER WHEAT.

AT THE INVITATION OF THE KANSAS CITY BOARD OF TRADE, OFFICIALS OF THE RAILROADS, WHICH HANDLE THE HARD RED WINTER WHEAT CROP, MET IN KANSAS CITY ALONG WITH GRAIN MERCHANTS TO DISCUSS THE TRANSPORTATION SITUATION FOR THIS SUMMER'S HARVEST. THE GENERAL CONCLUSION WAS THAT, BARRING UNFORESEEN DEVELOPMENTS, THE RAILROADS WILL BE IN UNUSUALLY GOOD CONDITION TO HANDLE THE CROP. IN FACT, SOME RAILROAD OFFICIALS SAY THAT

THEY ARE LOOKING FOR MORE BUSINESS, RATHER THAN BEING WORRIED ABOUT NOT BEING ABLE TO MOVE THE WHEAT THIS SUMMER. LAST YEAR, ALSO, THE RAILROADS MOVE THE HARVEST WITHOUT PROBLEMS. THIS CONTRASTS WITH THE SITUATION OF A FEW YEARS AGO WHEN A BOXCAR SHORTAGE WAS ALMOST TRADITIONAL WITH EACH HARVEST.

WHAT HAS HAPPENED IS THAT SINCE THE BIG INCREASE IN AMERICAN EXPORTS THAT STARTED IN 1972, THE RAILROADS HAVE EQUIPPED THEMSELVES TO HANDLE THE NEW BUSINESS. IN PARTICULAR, THEY HAVE ACQUIRED THOUSANDS OF NEW HOPPER CARS TO REPLACE THE OLD BOXCARS. THE HOPPER CAR, WHICH IS LOADED FROM THE TOP AND UNLOADED FROM THE BOTTOM, WILL HOLD ALMOST ONE AND A HALF METRIC TONS OF WHEAT, WHILE A BOXCAR, WHICH MUST BE LOADED AND UNLOADED FROM SIDE DOORS, WILL CARRY A LITTLE LESS THAN ONE TON. WITH THE BIGGER CARS, THE RAILROADS ARE ABLE TO MOVE MORE GRAIN. OVERSEAS BUYERS APPARENTLY WILL HAVE LITTLE CAUSE TO WORRY AT THIS TIME ABOUT THE MOVEMENT OF AMERICA'S WHEAT AT HARVEST TIME.

IT IS KNOWN, OF COURSE, THE HARD WINTER WHEAT HARVEST WILL NOT BE AS LARGE AS IT WAS LAST YEAR BECAUSE OF THE DAMAGE ALREADY DONE BY THE DRY WEATHER IN THE STATES OF KANSAS, TEXAS, OKLAHOMA AND A FEW OTHERS. BUT THE CROP NO LONGER IS DETERIORATING. RAINS IN THE LAST FEW WEEKS HAVE HELPED THE WHEAT THAT MANAGED TO LIVE THROUGH THE DROUGHT, AND PRESUMABLY THE YIELDS ON THIS PART OF THE CROP NOW WILL BE BETTER THAN HAD BEEN EXPECTED ONLY A FEW WEEKS AGO.

HOWEVER, THERE WAS A NEW SCARE EARLY THIS WEEK WHEN THE MIDDLE PART OF THE UNITED STATES EXPERIENCED RECORD LOW FREEZING TEMPERATURES FOR THIS TIME OF YEAR. THE CONSENSUS

IN THE GRAIN TRADE WAS THAT NO SERIOUS DAMAGE HAD BEEN DONE EITHER TO WHEAT OR CORN, ALTHOUGH ACTUALLY SUCH DAMAGE -- UNLESS IT IS ALMOST COMPLETE -- DOESN'T BECOME APPARENT UNTIL SEVERAL DAYS AFTER THE FREEZE.

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